

Remarks on Health Care Reform

March 3, 2010

Thank you. Please, everybody, have a seat. Thank you so much, all of you, for joining us today. And I want to thank Julie, Barbara, Roland, Stephen, Renee, and Christopher, standing behind me—physicians, physician assistants, and nurses who understand how important it is for us to make much needed changes in our health care system.

I want to thank all of you who are here today. I want to specially recognize two people who have been working tirelessly on that—on this effort, my Secretary of Health and Human Services, Kathleen Sebelius, as well as our quarterback—[*laughter*]*—for health reform out of the White House, Nancy-Ann DeParle.*

We began our push to reform health insurance last March in this room, with doctors and nurses who know the system best. And so it's fitting to be joined by all of you as we bring this journey to a close.

Last Thursday, I spent 7 hours at a summit where Democrats and Republicans engaged in a public and very substantive discussion about health care. This meeting capped off a debate that began with a similar summit nearly 1 year ago. And since then, every idea has been put on the table. Every argument has been made. Everything there is to say about health care has been said—[*laughter*]*—and just about everybody has said it. [Laughter]* So now is the time to make a decision about how to finally reform health care so that it works, not just for the insurance companies, but for America's families and America's businesses.

Now, where both sides say they agree is that the status quo is not working for the American people. Health insurance is becoming more expensive by the day. Families can't afford it; businesses can't afford it; the Federal Government can't afford it. Smaller businesses and individuals who don't get coverage at work are squeezed especially hard. And insurance companies freely ration health care based on who's sick and who's healthy, who can pay and who can't. That's the status quo. That's the system we have right now.

Democrats and Republicans agree that this is a serious problem for America. And we agree that if we do nothing, if we throw up our hands and walk away, it's a problem that will only grow worse. Nobody disputes that. More Americans will lose their family's health insurance if they switch jobs or lose their job. More small businesses will be forced to choose between health care and hiring. More insurance companies will deny people coverage who have preexisting conditions, or they'll drop people's coverage when they get sick and need it most. And the rising cost of Medicare and Medicaid will sink our Government deeper and deeper and deeper into debt. On all of this, we agree. So the question is, what do we do about it?

On one end of the spectrum, there are some who've suggested scrapping our system of private insurance and replacing it with a Government-run health care system. And though many other countries have such a system, in America, it would be neither practical nor realistic.

On the other end of the spectrum, there are those—and this includes most Republicans in Congress—who believe the answer is to loosen regulations on the insurance industry, whether it's State consumer protections or minimum standards for the kind of insurance they can sell. The argument is, is that that will somehow lower costs. I disagree with that approach. I'm

concerned that this would only give the insurance industry even freer rein to raise premiums and deny care.

So I don't believe we should give government bureaucrats or insurance company bureaucrats more control over health care in America. I believe it's time to give the American people more control over their health care and their health insurance. I don't believe we can afford to leave life-and-death decisions about health care to the discretion of insurance company executives alone. I believe that doctors and nurses and physician's assistants like the ones in this room should be free to decide what's best for their patients.

Now, the proposal I've put forward gives Americans more control over their health insurance and their health care by holding insurance companies more accountable. It builds on the current system, where most Americans get their health insurance from their employer. If you like your plan, you can keep your plan. If you like your doctor, you can keep your doctor. I can tell you, as the father of two young girls, I would not want any plan that interferes with the relationship between a family and their doctor.

Essentially, my proposal would change three things about the current health care system. First, it would end the worst practices of insurance companies. No longer would they be able to deny your coverage because of a preexisting condition. No longer would they be able to drop your coverage because you got sick. No longer would they be able to force you to pay unlimited amounts of money out of your own pocket. No longer would they be able to arbitrarily and massively raise premiums like Anthem BlueCross recently tried to do in California—up to 39-percent increases in 1 year in the individual market. Those practices would end.

Second, my proposal would give uninsured individuals and small-business owners the same kind of choice of private health insurance that Members of Congress get for themselves, because if it's good enough for Members of Congress, it's good enough for the people who pay their salaries.

The reason Federal employees get a good deal on health insurance is that we all participate in an insurance market where insurance companies give better coverage and better rates because they get more customers. It's an idea that many Republicans have embraced in the past, before politics intruded.

And my proposal says that if you still can't afford the insurance in this new marketplace, even though it's going to provide better deals for people than they can get right now in the individual marketplace, then we'll offer you tax credits to do so, tax credits that add up to the largest middle class tax cut for health care in history. After all, the wealthiest among us can already buy the best insurance there is, and the least well off are able to get coverage through Medicaid. So it's the middle class that gets squeezed, and that's who we have to help.

Now, it is absolutely true that all of this will cost some money, about \$100 billion per year. But most of this comes from the nearly \$2 trillion a year that America already spends on health care, but a lot of it is not spent wisely; a lot of that money is being wasted or spent badly. So within this plan, we're going to make sure the dollars we spend go towards making insurance more affordable and more secure. We're going to eliminate wasteful taxpayer subsidies that currently go to insurance and pharmaceutical companies, set a new fee on insurance companies that stand to gain a lot of money and a lot of profits as millions of Americans are able to buy insurance, and we're going to make sure that the wealthiest Americans pay their fair share on Medicare.

The bottom line is, our proposal is paid for. And all the new money generated in this plan goes back to small businesses and middle class families who can't afford health insurance. It would also lower prescription drug prices for seniors, and it would help train new doctors and nurses and physician's assistants to provide care for American families.

Finally, my proposal would bring down the cost of health care for millions: families, businesses, and the Federal Government. We have now incorporated most of the serious ideas from across the political spectrum about how to contain the rising cost of health care, ideas that go after the waste and abuse in our system, especially in programs like Medicare. But we do this while protecting Medicare benefits and extending the financial stability of the program by nearly a decade.

Our cost-cutting measures mirror most of the proposals in the current Senate bill, which reduces most people's premiums and brings down our deficit by up to a trillion dollars over the next two decades—brings down our deficit. Those aren't my numbers; those are the savings determined by the Congressional Budget Office, which is the Washington acronym for the nonpartisan, independent referee of Congress in terms of how much stuff costs.

So that's our proposal. This is where we've ended up. It's an approach that has been debated and changed and, I believe, improved over the last year. It incorporates the best ideas from Democrats and Republicans, including some of the ideas that Republicans offered during the health care summit, like funding State grants on medical malpractice reform and curbing waste and fraud and abuse in the health care system. My proposal also gets rid of many of the provisions that had no place in health care reform, provisions that were more about winning individual votes in Congress than improving health care for all Americans.

Now, despite all that we agree on and all the Republican ideas we've incorporated, many—probably most—Republicans in Congress just have a fundamental disagreement over whether we should have more or less oversight of insurance companies. And if they truly believe that less regulation would lead to higher quality, more affordable health insurance, then they should vote against the proposal I've put forward.

Now, some also believe that we should, instead of doing what I'm proposing, pursue a piecemeal approach to health insurance reform, where we tinker around the edges of this challenge for the next few years. Even those who acknowledge the problem of the uninsured say we just can't afford to help them right now, which is why the Republican proposal only covers 3 million uninsured Americans, while we cover over 31 million.

The problem with that approach is that unless everyone has access to affordable coverage, you can't prevent insurance companies from denying coverage based on preexisting conditions, you can't limit the amount families are forced to pay out of their own pockets. The insurance reforms rest on everybody having access to coverage. And you also don't do anything about the fact that taxpayers currently end up subsidizing the uninsured when they're forced to go to the emergency room for care, to the tune of about a thousand bucks per family. You can't get those savings if those people are still going to the emergency room. So the fact is, health reform only works if you take care of all of these problems at once.

Now, both during and after last week's summit, Republicans in Congress insisted that the only acceptable course on health care reform is to start over. But given these honest and substantial differences between the parties about the need to regulate the insurance industry and the need to help millions of middle class families get insurance, I don't see how another year of negotiations would help.

Moreover, the insurance companies aren't starting over; they're continuing to raise premiums and deny coverage as we speak. For us to start over now could simply lead to delay that could last for another decade or even more. The American people and the U.S. economy just can't wait that long. So no matter which approach you favor, I believe the United States Congress owes the American people a final vote on health care reform.

We have debated this issue thoroughly, not just for the past year, but for decades. Reform has already passed the House with a majority. It has already passed the Senate with a supermajority of 60 votes. And now it deserves the same kind of up-or-down vote that was cast on welfare reform, that was cast on the Children's Health Insurance Program, that was used for COBRA health coverage for the unemployed, and, by the way, for both Bush tax cuts, all of which had to pass Congress with nothing more than a simple majority.

I therefore ask leaders in both Houses of Congress to finish their work and schedule a vote in the next few weeks. From now until then, I will do everything in my power to make the case for reform. And I urge every American who wants this reform to make their voice heard as well. Every family, every business, every patient, every doctor, every nurse, every physician's assistant, make your voice heard.

This has been a long and wrenching debate. It has stoked great passions among the American people and their representatives. And that's because health care is a difficult issue. It is a complicated issue. If it was easy, it would have been solved long ago. As all of you know from experience, health care can literally be an issue of life or death. And as a result, it easily lends itself to demagoguery and political gamesmanship and misrepresentation and misunderstanding.

But that's not an excuse for those of us who were sent here to lead. That's not an excuse for us to walk away. We can't just give up because the politics are hard. I know there's been a fascination, bordering on obsession, in this media town about what passing health insurance reform would mean for the next election and the one after that. How will this play? What will happen with the polls? I will leave it to others to sift through the politics, because that's not what this is about. That's not why we're here.

This is about what reform would mean for the mother with breast cancer whose insurance company will finally have to pay for her chemotherapy. This is about what reform would mean for the small-business owner who will no longer have to choose between hiring more workers or offering coverage to the employees she has. This is about what reform would mean for middle class families who will be able to afford health insurance for the very first time in their lives and get a regular checkup once in a while and have some security about their children if they get sick.

This is about what reform would mean for all those men and women I've met over the last few years who've been brave enough to share their stories. And when we started our push for reform last year, I talked to a young mother in Wisconsin named Laura Klitzka. She has two young children. She thought she had beaten her breast cancer, but then later discovered it had spread to her bones. She and her husband were working and had insurance, but their medical bills still landed them in debt. And now she spends time worrying about that debt when all she wants to do is spend time with her children and focus on getting well. This should not happen in the United States of America. And it doesn't have to.

In the end, that's what this debate is about. It's about what kind of country we want to be. It's about the millions of lives that would be touched and, in some cases, saved by making private health insurance more secure and more affordable.

So at stake right now is not just our ability to solve this problem, but our ability to solve any problem. The American people want to know if it's still possible for Washington to look out for their interests and their future. They are waiting for us to act; they are waiting for us to lead. And as long as I hold this office, I intend to provide that leadership. I do not know how this plays politically, but I know it's right. And so I ask Congress to finish its work, and I look forward to signing this reform into law.

Thank you very much, everybody. Let's get it done.

NOTE: The President spoke at 1:50 p.m. in the East Room at the White House. In his remarks, he referred to registered nurse Julie Babich; Barbara Crane, member, American Nurses Association Political Action Committee Board of Trustees; Roland A. Goertz, president-elect, American Academy of Family Physicians; Stephen Hanson, president, American Academy of Physician Assistants; Renee Jenkins, chair, Department of Pediatrics and Child Health, Howard University; Christopher Lillis, internist, Chancellor Internal Medicine, Fredericksburg, VA; and Nancy-Ann DeParle, Director, White House Office of Health Reform.

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Names: Babich, Julie; Crane, Barbara; DeParle, Nancy-Ann; Goertz, Roland A.; Hanson, Stephen; Jenkins, Renee ; Klitzka, Laura; Klitzka, Logan ; Klitzka, Pete ; Klitzka, Taylor; Lillis, Christopher; Obama, Malia; Obama, Natasha "Sasha" ; Sebelius, Kathleen.

Subjects: Budget, Federal : Deficit; Budget, Federal : National debt; Business and industry : Small and minority businesses; Congress : Bipartisanship; Congress : Members, meetings with President; Economy, national : Economic concerns; Health and Human Services, Department of : Secretary; Health and medical care : Cost control reforms; Health and medical care : Cost control reforms; Health and medical care : Cost control reforms ; Health and medical care : Employer-based health insurance coverage; Health and medical care : Employer-based health insurance coverage ; Health and medical care : Health insurance exchange, proposed; Health and medical care : Health insurance reforms, proposed; Health and medical care : Hospitals :: Reimbursement for treatment of uninsured patients; Health and medical care : Insurance coverage and access to providers; Health and medical care : Insurance coverage and access to providers ; Health and medical care : Medical fraud and negligence, efforts to combat and prevent; Health and medical care : Medical liability reform; Health and medical care : Medicare Advantage Plans, elimination of overpayments; Health and medical care : Medicare and Medicaid; Health and medical care : Nurse remuneration and education; Health and medical care : Physicians :: Continuing education and training programs; Health and medical care : Seniors, prescription drug benefits; Health and medical care : Small businesses, proposed tax credits to purchase insurance coverage; Legislation, proposed : "America's Affordable Health Choices Act of 2009"; Legislation, proposed : "Patient Protection and Affordable Care Act of 2009" ; Taxation : Tax Code :: Reform; Taxation : Tax relief; White House Office : Health Reform, White House Office of.

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